LORD'S TAILOR SDN. BHD.

v.

SEOW SING FOR (T/A TUKANG JAHIT LORD'S)

HIGH COURT, KUALA LUMPUR
DATO' HAJI ABDUL MALEK BIN HAJI AHMAD J.
[CIVIL SUIT NO. D5-22-935-90]
11 AUGUST 1993

TRADE MARKS: Passing off - Two tailoring businesses - Having the same name - Whether there was passing off - Principles applicable.

The question that arose for decision in this case was whether the Court should allow two separate tailoring business activities with the same name to operate in Kuala Lumpur.

Held:

[1] In order to succeed in a passing off action, it is not necessary for the plaintif to prove fraudulent intention on the part of the defendant nor do the plaintiff need to show actual deception.

[2] A trade name will normally have attached to it a goodwill that the Courts will protect and if a trade name suggested that the defendant's business was an extension, branch or another agency of or otherwise connected with the plaintiff's business, an injunction could be granted.

[3] Reputation plus some market activity in the area or region is sufficient to establish a business goodwill entitled to protection and although the logos in this case are different, the name "Lord's Tailor" and the business activity are the same. The fact that both establishments are situated in Kuala Lumpur would certainly cause some confusion to the public despite the literacy level of a large population of the public.

[4] The plaintiff had proved a strong *prima facie* case of passing off and was therefore entitled to an injunction to restrain the defendant from using the same name. In view of the fact that it was not proved that it was the defendant's intention to mislead and also taking into account that the plaintiff's witness had stated that they were not interested in damages, no damages was awarded against the defendant.

[Plaintiff's application for an injunction to restrain the defendant from using the name "Lord's Tailor" allowed. Defendant ordered to finalise the name change within three months. Defendant to pay half of the plaintiff's taxed costs].

Cases listed at the end of the judgment as "cases referred to":

J.B. Williams Co. v. R Bromley & Co. Ltd. [1909] 26 RPC 58
Clairol Incorporated v. Too Dit Company [1980] 2 MLJ 112
Mun Loong Co. Sdn. Bhd. v. Chai Tuck Kin [1982] 1 MLJ 356
Payton & Co. Ltd. v. Snelling, Lampard & Co. Ltd. [1901] AC 308
Jay's Limited v. Jacobi [1933] 1 Ch 411
Mouson & Co. v. Boehm [1884] Vol. xxvi Ch 398
Re Powell, In Re Pratt Seb. Digest Trade Mark Cases 357
Evans v. Eradicure [1972] RPC 808
Baskin Robbins International Co. & Anor. v. Avonday Sdn. Bhd. [1992] 2 CLJ 1198
Asian Organisation Ltd. v. White Hudson & Co. Ltd. [1962] 28 MLJ 139
Frank Reddaway and Frank Reddaway & Co. Ltd. v. George Banham and George Banham & Co. Ltd. [1896] AC 199
Star Industrial Company Ltd. v. Yap Kwee Kor trading as New Star Industrial Company [1976] 1 MLJ 149
Cadbury Schweppes Pty. Ltd. & Ors v. Pub Squash Co. Pty. Ltd. [1981] 1 All ER 213
Erven Warnink B.V. & Anor. v. J. Townend & Sons. (Hull) Ltd. & Anor. [1979] FSR 397
The United Kingdom Tobacco [1929] Ltd. v. The Malayan Tobacco Distributors Ltd. [1933] 2 MLJ 1
Excelsior Pte. Ltd. v. Excelsior Sport (S) Pte. Ltd. [1986] 1 MLJ 130
Regent Decorators (M) Sdn. Bhd. & Anor. v. Michael Chee & Ors. [1984] 2 MLJ 78
Chong Fok Shang & Anor. Lily Handicraft & Anor. [1989] 2 MLJ 348
Sheraton Corporation of America v. Sheraton Motels Ltd. [1964] RPC 202
White Hudson & Co. v. Asian Organisation Ltd. [1965] 31 MLJ 186
Middlemas v. Moliver [1921] 38 RPC 97
The Commissioners of Inland Revenue v. Muller & Co.'s Margarine Ltd. [1901] AC 217
Tee Yih Jia Food Manufacturing Pte. Ltd. v. Seet Chuan Seng & Anor. [1993] 2 CLJ 354

For the plaintiff - C.E. Lee; M/s. Lee & Wong
For the defendant - C.F. Kwan and Y.V. Wong; M/s. T.C. Chong & Rakan-rakan

JUDGMENT

Haji Abdul Malek bin Haji Ahmad J:

To my mind, despite all that has been said by the parties and their learned Counsel in this case,

there is actually only one question to be decided and that is whether the Court should allow two separate tailoring business activities with the same name to operate in Kuala Lumpur.

Both the plaintiff and the defendant run a tailoring business and by sheer coincidence, both are named "Lord's Tailor". Both parties have insisted that they give personal attention to their eminent customers who in turn seek their tailoring expertise because of this and because of their professional skill. Both also maintain that they had chosen the trade name out of a personal liking for the word "Lord" and out of total ignorance of the fact that there is another tailoring establishment with the same name in Kuala Lumpur.

However, they hail from different backgrounds. The plaintiff's director and owner, Loh Kong Yew, (hereinafter "Loh") apparently the more sophisticated of the two tailors, learnt his skill in London, at Taylor's Tailor and Cutter at Gerrard Street, "near Saville Row" to be exact. He claims to have had about thirty three years' experience in the business having started out at the age of 15 and later as "Groovy Apparel" in Jalan Alor, Kuala Lumpur in 1974. From 1981 to 1988, he ran "Lord's Tailor" at the Sungai Wang Plaza having formally registered it in 1982. In 1988 they had shifted back to Jalan Alor as "Lord's Tailor" because of the recession and because "Groovy Apparel" sounded too funky for the image they were projecting in their products. In the meantime, Loh had been promoting his business in newspaper advertisements and with American Express. For this case, he had made out a list of his distinguished clientele which included the Prime Minister and the majority of the Cabinet members. He also told the Court that his customers had known him so well that he was referred to as "Mr. Lord's".

The action had been filed against the defendant because of complaints from dissatisfied customers about the low quality and bad finishing of the products done by the defendant. In fact, it had been made clear that the suit had been instituted more out of the instigation of the plaintiff's clients. The plaintiff had first sent a letter through their solicitors to the defendant on 24 August 1988 to restrain the defendant from using the same name but there had been no response. On the advice of his solicitors, Loh had then approached the defendant personally in the same year but he had not been treated in a friendly manner. Since he had no funds for the legal fees amounting to RM20,000 as business was not good in 1988, he had only filed the action in 1990. As for the word "Lord", he said he had chosen it as he had made a check in the directory and had not found any tailoring business by that name and because he was qualified in England and the name would have the effect of reflecting his qualifications and relationship with London.

Among the witnesses called by the plaintiff was a customer of the defendant, probably to testify on the existence of the defendant's shop, a client of the plaintiff, who was unhappy with the poor workmanship of the defendant's shop, and another patron of the plaintiff who became aware of the defendant's shop by chance but did not do any tailoring with the defendant. The plaintiff had also called Loh's wife who was actually the co-director managing the plaintiff and she quite clearly in her testimony had stated that they were not really interested in damages but had only wanted the defendant to stop using the same name.

The defendant, on the other hand, became a tailor in 1980 after learning his tailoring skills in Kajang which was his birthplace. He had opened his shop, also in Kajang, in 1985 under the name "Tukang Jahit Lord's" or "Lord's Tailor". His explanation of why he chose the word "Lord's" was that he used to watch television during his school days and there was a character called "Lord" in series such as "Tarzan" and "Hercules" who was peaceful, strong and smart. In Chinese, it meant happiness. At that time, he had not heard of the plaintiff's shop. In July 1986, he stopped business as the shop owner had wanted to repossess it and he had moved his tailoring activity to Kuala Lumpur at Pusat Bandar Damansara in Damansara Heights. He had chosen this location as he felt that there was great potential in that area especially with regard to Malay government officers. He, too, had claimed that he had a distinguished list of customers who were satisfied with his tailoring skill and personal attention. He agreed he had used the Malay version of the name in Kajang in view of his predominantly Malay customers but had used the English version in Kuala Lumpur as Damansara Heights was a high class area.

As for passing off, I have had occasion to deal with the subject quite extensively in *Tee Yih Jia*

Food Manufacturing Pte. Ltd. v. Seet Chuan Seng & Anor. [1993] 2 CLJ 354 and do not wish to restate the legal principles here. Accordingly, on 25 June 1993, having considered the evidence and the written submissions, which unfortunately had delayed the decision by more than two months as both Counsel were guilty of having submitted them beyond the time periods given, I had decided as follows:

(i) it is unfortunate that this case which was due for decision originally on 15 April 1993 had to be postponed twice to 20 May 1993 and then to today because of delays in the submissions of written submissions by learned Counsel for both parties;

(ii) in order to succeed in a passing off action, it is not necessary for the plaintiff to prove fraudulent intention on the part of the defendant nor do the plaintiff need to show actual deception;

(iii) a trade name will normally have attached to it a goodwill that the Courts will protect and that if a trade name suggested that the defendant's business was an extension, branch or another agency of or otherwise connected with the plaintiff's business, an injunction could be granted;

(iv) the defendant's business activity here is similar to that of the plaintiff's and that being so the slightest resemblance in the trade names of the parties may create confusion that the plaintiff is now seeking to prevent from happening;

(v) this Court holds that reputation plus some market activity in the area or region is sufficient to establish a business goodwill entitled to protection and although the logos in this case are different, the name "Lord's Tailor" and the business activity are the same and both establishments being situated in Kuala Lumpur would certainly cause some confusion to the public despite the literacy level of a large population of the public;

(vi) since there is a strong *prima facie* case of passing off, this Court will therefore grant the injunction asked for by the plaintiff in prayer (a) of the statement of claim but in these circumstances, as it is not proved that it is the defendant's intention to mislead, and also because the plaintiff's main witness had categorically stated that they are not interested in damages, the Court will not order any damages against the defendant under prayer (b) of the statement of claim;

(vii) it is also not necessary to order delivery of the items stated in prayer (c) of the statement of claim as it is up to the defendant to make the necessary changes to the present name if he wishes to continue in the same business activity;

(viii) the Court would like to point out that a variation of the present name would be quite proper and in order so as to minimise the changes to be made and would even go further to suggest "My Lord", Good Lord", and "House of Lords" if the defendant still wishes to use the word "Lord";

(ix) in view of the factors stated earlier, this Court will also not order full costs in the plaintiff's favour as the defendant would have to bear some substantial expense to make the name changes but at the same time the Court is not inclined to order that each party bear their own costs as if the defendant had agreed to make the name changes when approached by the plaintiff before the filing of the suit, this case would not have reached the Courts;

(x) in this situation, the Court orders the defendant to pay half of the plaintiff's taxed costs;

(xi) the Court also orders the name change to be finalised within three months of this order.

I must stress here that my decision may well have been different if the defendant had operated his business activity using the same name in Kajang or in any other city or town in this country outside Kuala Lumpur. Subsequently, upon an *exparte* application by learned Counsel for the defendant on 17 July 1993, I had granted the defendant leave to appeal to the Supreme Court.